OFFICE OF THE
HEALTH INSURANCE COMMISSIONER
STATE OF RHODE ISLAND

Health Insurance Bulletin
Number 2007-1
WELLNESS HEALTH BENEFIT PLAN
PROCESS FOR REVIEW OF PLAN SUBMISSIONS & EVALUATION CRITERIA

Pursuant to R.I. Gen. Laws § 27-50-10 and wellness health benefit plan requirements documents created thereunder (the Requirements Documents), each Rhode Island health plan actively participating in the small employer health insurance market must submit its set of final proposed wellness health benefit plan design documents, in the form attached hereto as Design Document Forms A, B and C (the Design Documents), to the Office of the Health Insurance Commissioner (OHIC) by March 12, 2007. Once submitted, the Design Documents will be evaluated by the OHIC. This Bulletin describes the process for review and evaluation of the Design Documents.

Once received, the Design Documents will be reviewed as follows:

1. The Design Documents will be provided to the Wellness Health Benefit Plan Advisory Committee. The Committee will convene on March 15, 2007 to begin its evaluation of the Design Documents. The Committee will review the

Design Documents and provide nonbinding recommendations regarding the final wellness plan designs to the Commissioner.

2. The Design documents will be evaluated by the Committee in accordance with subsection R.I. Gen. Laws §§ 27-50-10, 27-50-5(h)(4) and the Requirements Documents.

3. Once the Commissioner receives the recommendations of the Committee, he will review the recommendations and make a determination as to the adequacy of the Design Documents. The Commissioner's final decision regarding the adequacy of each health plan's Design Documents will be made on or before April 2, 2007.

4. If the Commissioner determines that a health plan's Design Documents conform substantially to the requirements set out in R.I. Gen. Laws §§ 27-50-10, 27-50-5(h)(4) and the Requirements Documents, he will issue formal written approval of that health plan's Design Documents. Such approval may be conditioned on minor modifications to the health plan's Design Documents.

5. If the Commissioner determines that a health plan's Design Documents fail to conform substantially to the requirements set out in R.I. Gen. Laws §§ 27-50-10, 27-50-5(h)(4) and the Requirements Documents, he may either: (i) issue formal written rejection of that health plan's Design Documents or (ii) return the Design Documents to the health plan with instructions for additional modifications and a timeline for the resubmission of the Design Document. Upon resubmission, the Commissioner will make a determination as to whether

the Design Documents conform substantially to the requirements set out in R.I. Gen. Laws §§ 27-50-10, 27-50-5(h)(4) and the Requirements Documents. If he determines that the resubmitted Design Documents conform substantially, he will issue formal written approval of that health plan's resubmitted Design Documents. Such approval may be conditioned on minor modifications to the health plan's resubmitted Design Documents. If the Commissioner determines that the resubmitted Design Documents fail to conform substantially, he will issue formal written rejection of that health plan's resubmitted Design Documents.

6. If a health plan's Design Documents or resubmitted Design Documents are formally rejected, the Commissioner may take administrative action against the health plan, including, but not limited to, the following (alone or in combination):

    - Formulating and imposing OHIC-created Design Documents on the health plan whose Design Documents have been rejected;
    - Imposing the approved Design Documents of one health plan on a health plan whose Design Documents have been rejected; and
    - Imposing monetary penalties on the health plan whose Design Documents have been rejected.

7. Once a health plan receives approval of its Design Documents, it must prepare and provide sample rates to the Commissioner on or before April 6, 2007.

8. In addition, the Commissioner will also issue draft wellness health benefit plan regulations on or about May 1, 2007. The regulations will incorporate the details of the Design Documents accepted by the Commissioner. The regulations will also address regulatory issues including ongoing compliance

by the health plans, rate increase procedures, changes to a health insurer's plan design, and entry into the market by new health plans.

Christopher F. Koller
Health Insurance Commissioner
March 5, 2007

Design Document: Form A

Vendors are asked to match the current plan design provisions. If you are able to match the current plan design provisions, please write 'Duplicate'. Where you can not match a plan design provision, please provide a brief summary of the benefit that you are able to provide.

	Proposed Plan Design		Insurer Name: xx	
	Wellness Advantage Plan	***Basic Plan***	***Advantage Plan***	***Basic Plan***
Calendar Year Medical Deductible *Single*	$500	$3,000		
Family	$1,000	$6,000		
Annual Out-of-Pocket Maximum (Excluding both medical and pharmacy deductibles) *Single*	$1,500	$3,000		
Family	$3,000	$6,000		
Lifetime Benefit Maximum	Unlimited	$1,000,000 per participant		
Primary Care Physician Office Visit	*deductible does not apply*			
Annual Physical (AMA Guidelines, by age)	copay waived			
Tier 1 Physician Visit (Most cost efficient)	$15 copay	$30 copay		
Tier 2 Physician Visit (Less cost efficient)	$30 copay	$60 copay		
Adult Preventive Immunizations	100% coverage	100% coverage		
Specialist Office Visit (includes Allergists and Dermatologists)	*deductible does not apply*			
Tier 1 Physician Visit (Most cost efficient)	$30 copay	$60 copay		
Tier 2 Physician Visit (Less cost efficient)	$40 copay	$80 copay		
Inpatient Facility Services				
Tier 1 (Most cost efficient)	100% after deductible	80% after deductible		
Tier 2 (Less cost efficient)	80% after deductible	60% after deductible		
Outpatient Facility Services				
Tier 1 (Most cost efficient)	100% after deductible	80% after deductible		
Tier 2 (Less cost efficient)	80% after deductible	60% after deductible		

Design Document: Form A

Vendors are asked to match the current plan design provisions. If you are able to match the current plan design provisions, please write 'Duplicate'. Where you can not match a plan design provision, please provide a brief summary of the benefit that you are able to provide.

	Proposed Plan Design		Insurer Name: xx	
	Wellness Advantage Plan	***Basic Plan***	***Advantage Plan***	***Basic Plan***
Emergency Room and Urgent Care Services				
Physician's Office				
Tier 1 Physician Visit (Most cost efficient)	$15 copay	$30 copay		
Tier 2 Physician Visit (Less cost efficient)	$30 copay	$60 copay		
Hospital Emergency Room	No charge after $100 copay (waived if admitted)	80% coverage after $100 copay; (waived if admitted)		
Urgent Care Facility or Outpatient Facility	$50 copay (waived if admitted)	$75 copay (waived if admitted)		
Ambulance	80% coverage	60% coverage		
Diagnostic Imaging and Machine Tests				
Tier 1 (Most cost efficient)	90% after deductible	70% after deductible		
Tier 2 (Less cost efficient)	70% after deductible	50% after deductible		
Chiropractic Care	Not covered	Not covered		
Infertility Services (Age limit: 25-40; $100,000 lifetime maximum)	80% after deductible	80% after deductible		
Organ Transplant	100% coverage	80% after deductible		
Calendar Year Pharmacy Deductible (does not apply when participant obtains Generics)				
Single	None	$100		
Family	None	$250		

Design Document: Form A

Vendors are asked to match the current plan design provisions. If you are able to match the current plan design provisions, please write 'Duplicate'. Where you can not match a plan design provision, please provide a brief summary of the benefit that you are able to provide.

	Proposed Plan Design		**Insurer Name: xx**	
	Wellness Advantage Plan	***Basic Plan***	***Advantage Plan***	***Basic Plan***
Prescription Drugs Retail (30 day supply)				
Generic	$5			
Select Brand	$40			
Non-Select Brand	$75			
Mail Order (90 day supply)				
Generic	$10			
Select Brand	$80			
Non-Select Brand	$150			

Notes:

Design Document Form B: PRICING ILLUSTRATIONS

	Proposed	Insurer Name: XX Advantage Plan Summary	
Advantage Deductible	$500/$1000		
Out-of-Pocket Maximum (Excluding medical and pharmacy deductibles)	$1500/$3000		
PCP	$15		
Specialist	$30		
Inpatient / Outpatient	100% after deductible		
Hospital Emergency Room	$100		
Pharmacy Deductible	None		
Prescription Drugs	$5/$40/$75		
Average Rates		**$314**	
Assumptions - Enrollment		xx% participation in Advantage Plan	

Design Document Form C: WELLNESS INITIATIVES

Please provide a brief summary of your proposal for each of these components

	Requirement	Insurer Name: XX
PCP	Advantage Plan: PCP required Basic Plan: No PCP requirement	
PCP Checklist	During enrollment for second and future years, PCP checklist will be required for participation in Advantage Plan.	
HRA	All participants must complete HRA to participate in Advantage Plan.	
Disease/Large Case Management (DM/LCM)	Participants identified for DM/LCM must participate in order to maintain Advantage level of benefits.	
Smoking Cessation/ Weight Loss	Participants can enroll in smoking and weight loss programs. They will be included as a benefit.	
Tiered Networks	Lab/Radiology - year 1, specialists, behavioral health hospitals, other ancillary - year 2, PCP, hospitals - year 3.	
Family Member Advantage Plan Criteria	Family members must have all dependents age 12 or older meet criteria for Advantage Plan, i.e. HRA, PCP, PCP Checklist, DM/LCM.	